

SECTION I.

Strategies and Actions

SECTION I.

Strategies and Actions

Pursuant to Section 91.315 of the Consolidated Plan regulations, this section contains the following:

- A reiteration of the State's philosophy of addressing housing and community development issues;
- How the State intends to address the identified housing and community development needs;
- How the State determined priority needs and fund allocations;
- A discussion of the general obstacles the State faces in housing and community development; and
- The State's FY2007 One-Year Action Plan.

This section also fulfills the requirements of Section 91.320 of the Consolidated Plan regulations. The additional information concerning Section 91.320—a discussion of funding activities and allocation plans, geographic distribution of assistance, and program specific requirements—are found in the attached FY2007 Allocation Plans.

Approach and Methodology

Planning principles. The State determined and followed the following guiding principles during its FY2005–2009 strategic planning process. These principles were retained for the FY2007 Action Plan process.

- Focus on the findings from citizen participation efforts (key person interviews, consultation with housing and social service providers, community surveys, public comments);
- Allocate program dollars to their best use, with the recognition that nonprofits and communities vary in their capacities and that some organizations will require more assistance and resources;
- Recognize that the private market is a viable resource to assist the State in achieving its housing and community development goals;
- Emphasize flexibility in funding allocations, and de-emphasize geographic targeting;
- Maintain local decision making and allow communities to tailor programs to best fit their needs;
- Leverage and recycle resources, wherever possible; and
- Understand the broader context within which housing and community development actions are taken, particularly in deciding where to make housing and community development investments.

Geographical allocation of funds. In the past, the responsibility for deciding how to allocate funds geographically has been at the agency level. The State has maintained this approach, with the understanding that the program administrators are the most knowledgeable about where the greatest needs for the funds are located. Furthermore, the State understands that since housing and community development needs are not equally distributed, a broad geographic allocation could result in funds being directed away from their best use.

2007 funding levels. Exhibit I-1 provides the estimated 2007 program year funding levels for each of the four HUD programs. These resources will be allocated to address the identified housing and community development strategies and actions.

Exhibit I-1.

2007 Consolidated Plan Funding, by Program and State Agency

| Program | FY 2007 Funding Allocations |
|---|--------------------------------|
| CDBG (Indiana Office of Community and Rural Affairs) | \$31,790,913 |
| HOME (Indiana Housing and Community Development Authority) | \$15,519,476 |
| ADDI (Indiana Housing and Community Development Authority) | \$316,513 |
| ESG (Indiana Housing and Community Development Authority) | \$1,916,143 |
| HOPWA (Indiana Housing and Community Development Authority) | \$822,000 |
| Total | \$50,365,045 |

Source: State of Indiana and HUD, 2007.

Five-Year Strategic Goals

Four goals were established to guide funding during the FY2005–2009 Consolidated Planning period:

- **Goal 1.** Expand and preserve affordable housing opportunities throughout the housing continuum.
- **Goal 2.** Reduce homelessness and increase housing stability for special-needs populations.
- **Goal 3.** Promote livable communities and community revitalization through addressing unmet community development needs.
- **Goal 4.** Promote activities that enhance local economic development efforts.

The goals are not ranked in order of importance, since it is the desire of the State to allow each region and locality to determine and address the most pressing needs it faces.

The following section outlines the FY2005–2009 Strategic Plan and FY2007 Action Plan in detail.

Strategic Plan and Action Plan

Strategic Goal 1. Expand and preserve affordable housing opportunities throughout the housing continuum.

HOME and ADDI Program Activities

HOME funds will be allocated by the Indiana Housing and Community Development Authority (IHCDA) via the following funding programs:

- HOME application
- HOME portion of the Qualified Allocation Plan
- HOME Owner-Occupied Rehabilitation
- CHDO Works

ADDI funds are allocated via IHCDA's First HOME program. Resale and recapture guidelines associated with ADDI are located in the Program Description and Allocation Plan 2007 for HOME and ADDI, which is attached to this section. To be eligible for downpayment assistance using ADDI, borrowers must successfully complete a homeownership training program, provided by the participating lender.

To achieve the desired outcomes related to Goal 1, these programs make available funding for the following activities for applicants utilizing HOME funds:

- Transitional Housing—Rehabilitation/New Construction/Refinance
- Permanent Supportive Housing—Rehabilitation/New Construction/Refinance
- Rental Housing—Rehabilitation/New Construction/Refinance
- Homebuyer—Rehabilitation/New Construction
- CHDO Operating Support
- CHDO Predevelopment Loans
- CHDO Seed Money Loans

Down payment assistance is another activity that is used to achieve Goal 1. In recent years, IHCDA used both ADDI and HOME funding via the First Home program to fund this initiative. While IHCDA will continue to offer down payment assistance through the First Home program, it also proposes to use HOME funds for homeownership counseling and downpayment assistance through the Community Development department.

HOME and ADDI 2007 Outcomes

IHCDA will use the indicators listed below to determine their ability to achieve the desired outcomes associated with Goal 1.

| Indicators: | Indicators: |
|---|---|
| <p>Via the Housing from HOME application, HOME portion of the Qualified Allocation Plan, and HOME Owner-Occupied Rehabilitation Programs</p> <ul style="list-style-type: none">■ Match■ Number of units■ Income level of units by AMI■ Number of counties assisted (primary development county)■ Current racial/ethnic and special-needs categories | <p>Via the First Home Program</p> <ul style="list-style-type: none">■ Match■ Number of units■ Income level of units by AMI■ Number of counties assisted■ Current racial/ethnic and special-needs categories |

Using these indicators, a numeric goal was determined for the FY2007 HOME and ADDI allocations. Exhibit I-2 identifies the numeric indicators associated with the HOME application, HOME portion of the Qualified Allocation Plan, and the HOME Owner-Occupied Rehabilitation program and the HOME Homeownership Counseling and Down Payment Assistance Programs. Exhibit I-3 represents HOME and ADDI via the First Home program.

**Exhibit I-2.
HOME and ADDI 2007
Goals for Shelters, QAP,
HOME, OOR Indicators**

Source:

Indiana Housing and Community
Development Authority.

| | FY 2007 Goal |
|---|--------------|
| Anticipated Match | \$3,000,000 |
| Anticipated Number of Units | 336 |
| Anticipated Number Units by AMI: | |
| Below 30% AMI | 83 |
| 30.1–40% AMI | 52 |
| 40.1–50% AMI | 98 |
| 50.1–60% AMI | 73 |
| 60.1–80% AMI | 30 |
| Anticipated Number of Counties Assisted | 48 |
| Anticipated Number Assisted by Race/Ethnicity: | |
| White | 296 |
| Black/African American | 25 |
| Asian | 0 |
| American Indian/Alaskan Native | 0 |
| Native Hawaiian/Other Pacific Islander | 0 |
| American Indian/Alaskan Native and White | 0 |
| Asian and White | 0 |
| Black/African American & White | 0 |
| American Indian/Alaskan Native & Black/African American | 0 |
| Other Multi-Racial | 15 |
| Anticipated Number Assisted by Special Needs Category: | |
| Disabled | 45 |
| Elderly | 90 |
| Female-Headed Household | 60 |

**Exhibit I-3.
HOME and ADDI 2007
Goals for First Home
Indicators**

Source:

Indiana Housing and Community
Development Authority.

| | FY 2007 Goal |
|---|--------------|
| Anticipated Match | \$375,000 |
| Anticipated Number of Units | 500 |
| Anticipated Number Units by AMI: | |
| Below 30% AMI | 10 |
| 30.1–50% AMI | 89 |
| 50.1–60% AMI | 125 |
| 60.1–80% AMI | 276 |
| Anticipated Number of Counties Assisted | 65 |
| Anticipated Number Assisted by Race/Ethnicity: | |
| White | 388 |
| Black/African American | 60 |
| Asian | 20 |
| American Indian/Alaskan Native | 0 |
| Native Hawaiian/Other Pacific Islander | 0 |
| American Indian/Alaskan Native and White | 0 |
| Asian and White | 0 |
| Black/African American & White | 0 |
| American Indian/Alaskan Native & Black/African American | 0 |
| Other Multi-Racial | 32 |
| Anticipated Number Assisted by Special Needs Category: | |
| Disabled | 5 |

CDBG Program Activities (Housing)

CDBG funds allocated by both IHCD and the Office of Community and Rural Affairs (OCRA) may be used to work to achieve Goal 1. IHCD allocates CDBG funds via the following programs:

- Housing from Shelters to Homeownership, \$4,291,773 allocated in 2007
- Foundations, funded on an as-needed basis

To achieve the desired outcomes related to Goal 1, the following activities will be available to applicants using CDBG funds from IHCD's programs:

- Emergency Shelter—Rehabilitation/New Construction
- Youth Shelter—Rehabilitation/New Construction
- Migrant/Seasonal Farm Worker—Rehabilitation/New Construction
- Transitional Housing—Rehabilitation
- Permanent Supportive Housing—Rehabilitation
- Rental Housing—Rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition

CDBG (Housing) 2007 Expected Accomplishments

IHCDA will use the indicators to determine their ability to achieve the desired outcomes associated with Goal 1, as shown in the table to the right.

| Indicators: |
|---|
| IHCDA |
| ■ Leverage |
| ■ Number of units |
| ■ Income level of units by AMI |
| ■ Number of assisted counties assisted (primary development county) |
| ■ Current racial/ethnic and special-needs categories |

Using these indicators, a numeric goal has been determined associated with the FY2007 CDBG allocation for housing activities.

Exhibit I-4. CDBG (Housing) 2007 Goals

Source:

Indiana Housing and Community Development Authority.

| | FY 2007 Goal |
|---|--------------|
| Anticipated Leverage | \$400,000 |
| Anticipated Number of Units | 244 |
| Anticipated Number Units by AMI: | |
| Below 30% AMI | 125 |
| 30.1–40% AMI | 36 |
| 40.1–50% AMI | 28 |
| 50.1–60% AMI | 25 |
| 60.1–80% AMI | 30 |
| Anticipated Number of Counties Assisted | 35 |
| Anticipated Number Assisted by Race/Ethnicity: | |
| White | 225 |
| Black/African American | 19 |
| Anticipated Number Assisted by Special Needs Category: | |
| Disabled | 25 |
| Elderly | 75 |
| Female-Headed Household | 40 |

Other Activities

- Work to reduce the environmental hazards in housing, including lead based paint risks. Also, participate in meetings of the Lead-Safe Indiana Task Force, which convenes stakeholders quarterly to discuss current issues.
- Promote homeownership to the State's minority populations, specifically African American and Hispanic homebuyers, those living in manufactured housing and residents of public housing.
- Promote housing solutions that meet the growing desire of Hoosiers to age in place.

Goal 2. Reduce homelessness and increase housing stability for special-needs populations.

HOME Program Activities

Via the HOME funds allocated by IHCDA through the Housing from Shelters to Homeownership and HOME portion of the Qualified Allocation Plan programs, IHCDA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Transitional Housing—rehabilitation/new construction/refinance
- Permanent Supportive Housing—rehabilitation/new construction/refinance

With special-needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, First Home and the HOME OOR programs for the following types of activities:

- Transitional Housing—rehabilitation/new construction/refinance
- Permanent Supportive Housing—rehabilitation/new construction /refinance
- Tenant based rental assistance—targeted special-needs populations
- Rental Housing—rehabilitation/new construction/refinance
- Homebuyer—rehabilitation/new construction
- Down Payment Assistance
- Owner-Occupied Rehabilitation

For both the homeless population and those with special needs, IHCDA's programs often give preference or require applicants to target these types of beneficiaries. The Indiana Interagency Council on the Homeless' 10-Year State Plan to End Chronic Homelessness identifies the linkage of rental assistance and integrated case management and supportive services programs as a key action item in addressing the housing needs of special-needs populations. IHCDA will utilize tenant-based rental assistance on a limited basis to serve targeted populations.

Other Homeless Prevention Activities and Elements

The five priorities identified in Indiana's Plan to End Chronic Homelessness are:

- Enhance prevention activities and strategies;
- Increase organizational capacity for supportive housing development, increase supply of supportive housing, and revenue for supportive housing units;
- Enhance and coordinate support systems (mental health, substance abuse, employment, case management, outreach, primary health care);
- Optimize use of existing mainstream resources; and

- Develop a policy and planning infrastructure.

IHCDA as one of the lead agencies in the state's Interagency Council on the Homeless will undertake the following activities and strategies to address the plan priorities during program year 2007:

- ***Increase resources for family homeless prevention.*** HOPWA funds can be used to prevent homelessness for low-income families with HIV/AIDS. Local HOPWA project sponsors provide short-term rent, mortgage and utility assistance to help families through financial crisis. In addition, some of the shelters that receive ESG funds allocate resources to homeless prevention. Families can access homeless prevention through local shelters to pay for rent and utility assistance.
- ***Provide preferences*** under the Section 8 Housing Choice Voucher program for the chronically homeless and for homeless prevention.
- Though recognized as a population, homeless vets have not received sufficient attention. Presently, the Veterans Health Administration operates in fourteen locations throughout the state without a program to secure decent, safe, affordable supported housing for individuals (and families) who have served their country with distinction. IHCDA will ***partner with Partners in Housing Development Corporation*** to educate, build partnerships, link traditional housing financial resources, bring new resources and focus attention on a group that represents roughly 19% of the homeless population in Indiana. The first step in this endeavor will be a technical assistance application under HUD's VA Homeless Providers Grant and Per Diem Program.
- IHCDA has partnered with Great Lakes Capital Fund to open a Corporation for ***Supportive Housing (CSH) office in Indiana*** starting in June of 2007. This office will increase the capacity of local Continuum of Cares to develop permanent supportive housing. In addition, the CSH office will assist the state in implementing its 10 Year Plan to End Chronic Homelessness. CSH will also conduct its Supportive Housing Institute. The Institute is designed to provide technical assistance to 10 to 12 project teams over eight months, up to \$250,000 in no-interest Project Initiation Loans to eligible project sponsors and up to \$4 million in low-interest predevelopment/acquisition loans. It is expected to result in an estimated 200 to 250 new units added to the pipeline per year.
- ***Reinforce the importance of stable housing as necessary component of the service continuum.*** IHCDA has served as the lead applicant for two Shelter Plus Care programs to link rental assistance with supportive services for chronically homeless people. We have also made a commitment to the importance of Shelter Plus Care as stable housing by providing administrative reimbursement to local project sponsors as an incentive to bring more Shelter Plus Care stable housing programs to Indiana. IHCDA is also using HOME funds on two targeted tenant based rental assistance programs.
- ***Use HMIS*** for chronically homeless people to reduce duplication, streamline access, ensure consistency of service provision and generate data to carry out this plan – Currently all of the non-domestic violence shelters funded by ESG and Shelter Plus Care grantees are entering beneficiary data into HMIS. IHCDA enters in information on HOPWA clients who are chronically homeless. IHCDA is working with ICHHI and our HMIS provider to

customize HMIS to facilitate entry of all HOPWA clients, not just those who are chronically homeless.

CDBG Program Activities (Housing)

Via the CDBG funds allocated by IHCDA through the Housing from Shelters to Homeownership, IHCDA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Emergency Shelter—rehabilitation/new construction
- Youth Shelter—rehabilitation/new construction
- Migrant/Seasonal Farm Worker—rehabilitation/new construction
- Transitional Housing—rehabilitation
- Permanent Supportive Housing—rehabilitation

With special-needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, program for the following types of activities:

- Emergency Shelter—rehabilitation/new construction
- Youth Shelter—rehabilitation/new construction
- Migrant/Seasonal Farm Worker—rehabilitation/new construction
- Transitional Housing—rehabilitation
- Permanent Supportive Housing—rehabilitation
- Rental Housing—rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition

For both the homeless population and those with special-needs, IHCDA's programs often gives preference or requires applicants to target these types of beneficiaries.

CDBG Program Activities and 2007 Expected Accomplishments (Community Focus Fund)

Through the Community Focus Fund, funds will be provided to public social service organizations that work with special needs populations and shelter workshop facilities, in addition to modifications to make facilities accessible to persons with disabilities.

Goals for types of activities:

- Construction of three new facilities—projected allocation of \$1,101,000
- Anticipated match of \$220,000.

ESG Activities and 2007 Expected Accomplishments

Through the ESG program, provide operating support to shelters, homeless prevention activities and case management to persons who are homeless and at risk of homelessness.

Goals for activities:

- Operating support—89 shelters receiving support, \$1,436,993 allocated in 2007
- Homeless prevention activities—25 shelters provided with homeless prevention activity funding, \$93,936 allocated in 2007
- Essential services—51 shelters provided with funding for essential services, \$317,668 allocated in 2007
- Rehabilitation funding—3 or 4 shelters provided with funding to increase the accessibility of their shelters, \$57,000 allocated in 2007
- Anticipated match: Shelters match 100 percent of their rewards
- Anticipated number of counties assisted: 91
- Anticipated number of clients served: 47,259 (unduplicated count)

Overall ESG indicators: Increase the availability and access to services, mainstream resources, case management and financial assistance, employment assistance, counseling for drug/alcohol abuse, mental illness, domestic violence, veterans and youth pregnancy. By utilizing these activities, individuals will increase their ability to access permanent housing and decrease the likelihood of repeated homelessness.

Outcomes are measured through indicators that grant recipients/shelters choose. These performance indicators are organized around Essential Services, Homeless Prevention Activities, and Operations. It is anticipated that the shelters will achieve the required percent of the goals (under each of these three activities) that they establish for their grant performance periods.

Other Activities

- Encourage the use of Homeless Management Information System (HMIS). This will be accomplished by funding only entities that agree to participate in HMIS and only continue funding when information is entered in HMIS on a regular and consistent nature.
- Encourage ESG grantees to attend their Continuum of Care Meetings regularly.

HOPWA Activities

Through the HOPWA program, IHCD provides recipients that assist persons with HIV/AIDS with funding for rental assistance, housing information and resource identification, short-term rental, mortgage and utility assistance and supportive services.

HOPWA funds are used to support Goals 1 and 2 via the following activities:

- Rental Assistance, \$370,040 allocated in 2007 to assist 170 households;
- Short-Term Rent, Mortgage and Utility Assistance, \$221,500 allocated in 2007 to assist 300 households;
- Supportive Services, \$111,200 allocated in 2007 to assist 125 households;
- Housing Information, \$53,860 allocated in 2007 to assist 25 households;
- Operating Costs, \$16,000 allocated in 2007 to support 5 units.

IHCDA uses the following indicators to determine their ability to achieve the desired outcomes

| Indicators: |
|---|
| Via the HOPWA Program Application |
| ■ Rental Assistance Households/Units |
| ■ Short-term Rent, Mortgage and Utility Assistance Households/Units |
| ■ Supportive Services Households |
| ■ Housing Information Households |
| ■ Operating Cost—number of units |

Using these indicators, a numeric goal has been determined associated with the FY2007 HOPWA allocation. Exhibit I-5 identifies the numeric indicators.

Exhibit I-5. HOPWA 2007 Goals

Source:
Indiana Housing and Community
Development Authority.

| | FY 2007 Goal |
|---|--------------|
| Rental Assistance Households/Units | 170 |
| Short-term Rent, Mortgage and Utility Assistance Households/Units | 300 |
| Supportive Services Households | 125 |
| Housing Information Households | 25 |
| Operating Cost—number of units | 5 |

For program year 2007 HOPWA funding, IHCD requested that existing project sponsors submit annual plans detailing their use of HOPWA funds for the period of July 1, 2007 through June 30, 2008.

In prior program years, IHCD offered a competitive process for allocating HOPWA funds. Previously, IHCD staff conducted outreach and information sessions to community based volunteer AIDS action groups and Task Forces and organizations created and staffed by people living with HIV/AIDS. There

was, however, no marked demand for new HOPWA projects for the 2007 program year. Many organizations have had success in receiving other sources of funding for HIV/AIDS and have elected to partner with our existing providers instead of trying to create new programs that may divert limited resources from them. In 2006, for example, Region 1 received funding for a Shelter Plus Care project serving homeless individuals living with HIV/AIDS. Our existing project sponsors are all community based not for profit organizations that serve persons living with HIV/AIDS. IHCD will utilize a competitive RFP process for the 2008 HOPWA program year.

IHCDA's goal for the HOPWA program is to reduce homelessness and increase housing stability for people living with HIV/AIDS and their families. Existing project sponsors provided information on their HOPWA program's ability to support that goal and deliver the outcome of increasing the availability of housing units for people living with HIV/AIDS and their families and increasing their housing stability.

Exhibit I-6.
Existing HOPWA Project Sponsors

| Project Sponsor | Service Area Counties |
|--|---|
| AIDS Ministries/AIDS Assist of North Indiana, Inc. | Elkhart, Fulton, Marshall, Pulaski, St. Joseph |
| AIDS Resource Group of Evansville, Inc. | Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick |
| AIDS Task Force, Inc. | Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley |
| The Center for Mental Health, Inc. | Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White |
| Bloomington Hospital, Inc. | Bartholomew, Greene, Lawrence, Monroe, Owen |
| The Center for Mental Health, Inc. | Cass, Howard, Madison, Miami, Tipton |
| Greater Hammond Community Services, Inc. | Lake, LaPorte, Porter |
| Brothers Uplifting Brothers, Inc. | Lake, LaPorte, Porter |
| Hoosier Hills AIDS Coalition, Inc. | Crawford, Jackson, Jefferson, Jennings, Orange, Switzerland |
| The Center for Mental Health, Inc. | Blackford, Delaware, Grant, Jay, Randolph |
| West Central Indiana Economic Development District | Clay, Parke, Sullivan, Vermillion, Vigo |
| The Center for Mental Health, Inc. | Decatur, Fayette, Henry, Ripley, Rush, Union, Wayne |

Source: Indiana Housing and Community Development Authority.

Other Activities

- Encourage the use of the Homeless Management Information System (HMIS). This will be accomplished by funding only entities that agree to participate in HMIS with emergency shelter, youth shelter, transitional housing, and permanent supportive housing activities.
- Implement a fully connected Homeless Management Information System.
- Provide Indiana Civil Rights Commission contact information to concerned beneficiaries.
- Continue to submit an annual SuperNOFA application to fund continuum of care activities. The State will be responsible for ensuring that the State Continuum of Care application is submitted to HUD annually.
- Maintain regional continuum of care consortia to coordinate continuum of care activities and provide guidance on specific needs.

Goal 3. Promote livable communities and community revitalization through addressing unmet community development needs.

CDBG Program Activities (Community Focus Fund)

Continue funding OCRA's Community Focus Fund (CFF), which uses CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of community and senior centers.

2007 Expected Accomplishments, Community Focus Fund

- ***Construction/rehabilitation of 26 wastewater, water and storm water infrastructure systems.*** Projected allocation: \$12,564,977
- ***Twenty-six other miscellaneous community development projects*** (e.g. libraries, community centers, social service facilities, youth centers, fire stations, downtown revitalization, historic preservation etc.). Projected allocation: \$10,280,436
- Anticipated match, above activities: \$4,569,083

Continue the use of the planning and community development components that are part of the Planning Grants and Foundations programs funded by CDBG and HOME dollars. These programs provide planning grants to units of local governments and CHDOs to conduct market feasibility studies and needs assessments, as well as (for CHDOs only) predevelopment loan funding.

2007 Expected Accomplishments, Technical Assistance Fund, Planning Grants and Foundations Program

- **Technical Assistance Fund:** Projected allocation is \$ 317,909
- **Planning grants:**
 - Thirty-three planning grants
 - Projected allocation: \$1,400,000
 - Anticipated match: \$140,000
- **Foundations grants:** Funded on an as-needed basis

Goal 4. Promote activities that enhance local economic development efforts

Continue the use of the OCRA's Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons. The projected allocation in 2007 is \$1,700,000.

OCRA has created a Micro-enterprise Assistance Program in 2007, which funds training and micro-enterprise lending for low- to moderate income persons. The proposed allocation in 2007 is \$500,000.

Through its CEDF and Micro-enterprise Assistance Program, OCRA coordinates with private industry, businesses and developers to create jobs for low- to moderate-income populations in rural Indiana.

Priority Needs

The Consolidated Plan identifies the areas of greatest need for the State (and nonentitlement areas) in general, and this information is used to guide the funding priorities for each program year. However, the Plan is unable to quantify specific needs on the local level. For local needs, the State relies on the information presented in the funding applications. Exhibits I-6 and I-7 show the prioritization of housing and community development activities for FY2007.

**Exhibit I-6.
Community
Development Needs,
Priorities for FY2007**

Source:

Indiana Office of Community and Rural
Affairs.

| Priority Community Development Needs | Need Level |
|---|------------|
| Public Facility Needs | |
| Neighborhood Facilities | Medium |
| Parks and/or Recreation Facilities | Low |
| Health Facilities | High |
| Parking Facilities | Low |
| Solid Waste Disposal Improvements | Medium |
| Asbestos Removal | Medium |
| Non-Residential Historic Preservation | Low |
| Other | Medium |
| Infrastructure | |
| Water/Sewer Improvements | High |
| Street Improvements | Medium |
| Sidewalks | Low |
| Sewer Improvements | High |
| Flood Drain Improvements | High |
| Other Infrastructure Needs | Medium |
| Public Service Needs | |
| Handicapped Services | High |
| Transportation Services | Medium |
| Substance Abuse Services | Low |
| Employment Training | High |
| Health Services | Medium |
| Other Public Service Needs | Medium |
| Anti-Crime Programs | |
| Crime Awareness | Low |
| Other Anti-Crime Programs | Low |
| Youth Programs | |
| Youth Centers | High |
| Child Care Centers | Medium |
| Youth Services | Low |
| Child Care Services | Low |
| Other Youth Programs | Medium |
| Senior Programs | |
| Senior Centers | Medium |
| Senior Services | Medium |
| Other Senior Programs | Medium |
| Economic Development | |
| Rehab of Publicly or Privately Owned Commercial/Industrial | Medium |
| CI Infrastructure Development | High |
| Other Commercial/Industrial Improvements | Medium |
| Micro-Enterprise Assistance | High |
| ED Technical Assistance | Medium |
| Other Economic Development | Medium |
| Planning | |
| Health Facility Studies | High |
| Youth Center Studies | High |
| Water/Sewer/Stormwater Plans | High |
| Community Center Studies | Medium |
| Day Care Center Studies | Medium |
| Senior Center Studies | Medium |
| Historic Preservation | Low |
| Downtown Revitalization | Low |
| Parks/Recreation | Low |

Exhibit I-7. Housing Needs, Priorities for FY2007

Source:

Indiana Housing and Community
Development Authority.

| Priority Housing Needs | Priority Need Level | |
|----------------------------|---------------------|------------|
| | Percentage | Need Level |
| Renter | | |
| Small and Large Related | 0–30% | High |
| | 31–50% | High |
| | 51–80% | Medium |
| Elderly | 0–30% | High |
| | 31–50% | High |
| | 51–80% | Medium |
| All Other | 0–30% | High |
| | 31–50% | High |
| | 51–80% | Medium |
| Owner | | |
| Owner-Occupied | 0–30% | High |
| | 31–50% | High |
| | 51–80% | Medium |
| Homebuyer | 0–30% | Low |
| | 31–50% | Medium |
| | 51–80% | High |
| Special Populations | 0–80% | High |

During the program planning period (FY2007), the State will monitor housing conditions and, through its scoring criteria used to evaluation award applications, adjust funding allocations as appropriate to address changes in housing market conditions.

ADDI Funds

IHCDA will implement the following activities in conjunction with administration of the ADDI grant.

Targeted outreach. IHCDA will make the Indiana Manufactured Housing Association and the Indiana State National Association of Housing and Redevelopment Officials (NAHRO) aware of the ADDI program and how members of their respective organizations can obtain additional information to educate their clients on IHCDA programs and how to join the IHCDA List-Serve.

In addition, IHCDA will require recipients of homeownership counseling funds to conduct targeted outreach to residents and tenants of public and manufactured housing and other families assisted by public housing agencies. As part of their agreement with IHCDA, recipients must agree to complete these marketing initiatives. To ensure compliance with this requirement, IHCDA will include this activity in compliance monitoring.

Homeownership stability. To ensure that families receiving ADDI funds are suitable to undertake and maintain homeownership, clients receiving ADDI funding will be required to successfully complete a homeownership training program. It is strongly recommended that clients participated in a face-to-face or classroom course given by a HUD-approved counselor.

Performance Measurements

This section provides Specific Outcome Indicators the State will use to evaluate its performance during FY2007. The indicators are organized around HUD's Objective Categories.

Objective Category: Decent Housing

1. Availability/Accessibility and Affordability—HOME. During FY2007, the State will allocate \$10.1 million of HOME funds to assist in the production and/or rehabilitation of 336 housing units. The type of units will be determined based on the greatest needs in nonentitlement areas.

Eligible unit types include:

- Transitional housing (Availability/Accessibility of Housing);
- Permanent supportive housing (Availability/Accessibility of Housing);
- Affordable rental housing (Affordability);
- Affordable owner housing (Affordability).

During FY2007, the State will also provide homeownership assistance to 500 households (Affordability).

2. Availability/Accessibility and Affordability—CDBG. In the 2007 program year, the State will allocate \$4.2 million of CDBG funding to produce 244 units of housing for special-needs populations, to acquire and demolish units in support of affordable housing development, and to conduct affordable housing feasibility studies.

The type of units will be determined based on the greatest needs in nonentitlement areas. Eligible unit types include:

- Emergency shelters;
- Youth shelters;
- Transitional housing;
- Migrant/seasonal farmworker housing;
- Permanent supportive housing;
- Rental housing;
- Owner-occupied housing.

3. Availability/Accessibility and Sustainability of shelters. In FY2007, the State will use CDBG, HOME, ESG and HOPWA dollars to improve the accessibility and availability of decent housing to special-needs populations. The dollars will also be used to ensure the sustainability of the shelters. In all, 24,523 persons who are homeless will be assisted through the various activities.

ESG dollars will be used for the following:

- Operating support—89 shelters receiving support totaling \$1,436,993, assisting 24,523 clients (Sustainability for shelters);

- Homeless prevention activities—25 shelters provided with homeless prevention activity funding of \$93,936. These 25 shelters will provide direct rental assistance to prevent eviction, utility assistance and legal services for tenant mediation to 80 percent of the clients who ask for assistance, serving approximately 300 clients. (Availability/Accessibility).
- Essential services—51 shelters provided with funding totaling \$317,668 for essential services, assisting 740 clients. These services will assist approximately 80 percent of clients at each shelter in the form of case management, mainstream resources referral and counseling, as needed. (Availability/Accessibility).
- Rehabilitation funding –Emergency shelters and/or transitional housing providers will receive rehabilitation funding totaling \$57,000 to provide better accessibility of the physically disabled clients who need assistance. In addition, a portion of ESG is available for rehabilitation that will be awarded to those shelters whose facilities need updated to improve the accessibility of the shelter for those homeless clients who have physical disabilities. Approximately 3 to 4 shelters may be assisted. (Availability/Accessibility and Sustainability of shelters).

HOPWA dollars will be used for the following:

- Housing Information—HOPWA care sites provide community-based advocacy and information/referral services for the purposes of either placement into housing or homeless prevention. Via care site case management, homeless outreach will occur to increase the number of those living with HIV/AIDS that become housed. An anticipated 25 HOPWA-eligible homeless individuals will be housed during the 2007 program year due to homeless outreach from HOPWA care sites. \$53,860 in funding will be allocated in 2007. (Availability/Accessibility).
- Operating Costs—HOPWA care sites provide housing costs that are specific to HIV/AIDS housing, such as furniture for group homes and utilities. Operating costs may also include the salaries of security and maintenance crews. \$16,000 in funding, benefiting an anticipated 75 individuals will be provided in 2007. (Suitable Living Environment).
- Rental Assistance—HOPWA care sites provide case management, mainstream resource assistance and housing assistance for up to 12 months of a HOPWA program to increase housing stability for those living with HIV/AIDS and their families. \$370,040 in funding will be dedicated to this activity, which will assist approximately 170 individuals (Availability/Accessibility).
- Short-Term Rent, Mortgage and Utility Assistance—HOPWA care sites provide case management, mainstream resource assistance and housing assistance for up to 21 weeks of a HOPWA program year to increase housing stability for those living with HIV/AIDS and their families. Short-term rent, mortgage and utility payments will be provided to prevent homelessness of the tenant. \$221,500 in funding will be provided in 2007, assisting an anticipated 300 individuals (Availability/Accessibility).
- Supportive Services—HOPWA care sites provide the following forms of assistance in order to increase housing stability for those living with HIV/AIDS, including, but not limited to,

food/nutrition, transportation, housing case management, mental health treatment, substance abuse treatment and basic telephone provision. An anticipated 125 individuals will receive supportive service assistance from HOPWA in 2007 with \$111,200 in funding (Suitable Living Environment).

Objective Category: Economic Opportunities

In FY2007, CDBG will be allocated to provide downtown revitalization, job creation and micro-enterprise activities. Downtown/neighborhood revitalization projects are also eligible under the CFF program and OCRA anticipates receiving applications for 2 to 3 projects in 2007.

The State will also continue the use of the OCRA's Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons. The projected allocation in 2007 is \$1,700,000. The State will also fund a Micro-enterprise Assistance Program, which funds training and micro-lending for low- to moderate-income persons. The projected allocation in 2007 is \$500,000.

Objective Category: Suitable Living Environment

Community development. In FY2007, CDBG will be allocated to provide various activities that improve living environments of low- to moderate-income populations. The following performance measures are expected to be achieved:

- **Construction/rehabilitation of 26 wastewater, water and storm water infrastructure systems.** Projected allocation: \$12,564,977.
- **Twenty-six miscellaneous community development projects** (e.g., libraries, community centers, social service facilities, youth centers, fire stations, downtown revitalization, historic preservation, etc). Projected allocation: \$10,280,436.
- **Technical Assistance Fund:** Projected allocation is \$317,909
- **Planning grants:**
 - Thirty-three planning grants
 - Projected allocation: \$1,400,000
 - Anticipated match: \$140,000

Essential service activities. ESG dollars will also be used to provide a suitable living environment for those who are homeless and at-risk of homelessness. ESG will provide funding to emergency shelters and/or transitional housing for case management, housing search, substance abuse counseling, mainstream resource assistance, employment assistance and individual assistance to clients who are homeless.

Operations activities. Emergency shelters and/or transitional housing will provide temporary housing for homeless individuals and families. The shelters provide all of the client's necessities of food, clothing, heat, bed, bathroom facilities, laundry facilities, and a mailing address. The facilities provide assistance to achieve self-sufficiency.

Operating costs. HOPWA care sites provide housing costs that are specific to HIV/AIDS housing, such as furniture for group homes and utilities. Operating costs may also include the salaries of security and maintenance crews. \$16,000 in funding, benefiting an anticipated 75 individuals will be provided in 2007.

Supportive services. HOPWA care sites provide the following forms of assistance in order to increase housing stability for those living with HIV/AIDS, including, but not limited to, food/nutrition, transportation, housing case management, mental health treatment, substance abuse treatment and basic telephone provision. An anticipated 125 individuals will receive supportive service assistance from HOPWA in 2007 with \$111,200 in funding.

Other Resources to Fulfill Goals

Low Income Housing Tax Credits (LIHTC). IHCDA utilizes set aside categories in its Low Income Housing Tax Credit Program to target the housing priorities set forth in the agency's strategic plan and to achieve the goals in the Statewide Consolidated Plan. Below is a list of the set aside categories in the 2007-2008 Qualified Allocation Plan:

- Qualified Nonprofit;
- Persons with Disabilities;
- Senior Housing;
- Lowest Income;
- Preservation; and
- Development Location

IHCDA further supports strategic objectives by targeting evaluation criteria of LIHTC applications based on rents charged, constituency served, development characteristics, project financing, market strength, and other unique features and services.

Section 8 voucher program. In July 2006, Section 8 Housing Choice Voucher program was transferred from the Indiana Family and Social Services Administration to IHCDA. In an effort to better align Indiana's strategic housing goals with targeted voucher recipients, IHCDA has established the following preference categories:

- Existing Applicant—applicant was on waiting list prior to new preferences.
- Residency—applicant is a legal resident of the State of Indiana.
- Chronic Homelessness—applicant is a homeless veteran, head of household of a homeless family with children or a homeless individual emancipated from foster care.
- Homeless Prevention—applicant is a victim of domestic violence or an individual that will be released from an institution or will be emancipated from foster care.
- Self Sufficiency—applicants are working families or enrolled in an educational or training program.
- Elderly—applicant is age 62 or older.

- Disability—applicant has been diagnosed with a disability by a medical professional.

McKinney-Vento. In an effort to attract the maximum amount of McKinney-Vento dollars to Indiana, IHCD has identified the following action steps that focus on providing technical assistance, integrating of Continuum of Care plans, and developing permanent supportive housing. As such, IHCD proposes to:

- With other partners, provide technical and financial support for each CoC to have a ten-year plan to address homelessness.
- Support a comprehensive data collection system in order to develop housing and services pro formas for each CoC ten-year plan.
- With Great Lakes Capital Fund, support a Corporation for Supportive Housing office in Indiana to work with IHCD and the thirteen Continuum of Care pursuant to their ten-year plans.
- Support a Supportive Housing Institute that will be available to the thirteen Continuum of Care to develop permanent supportive housing in their communities. Agencies participating in the institute will be eligible for project initiation loans and grants.
- Establish a comprehensive planning process for new projects applying under the Balance of State Application. This process will involve early review and technical assistance for new application.

FSSA partnership. The Indiana Family and Social Services Administration Division of Aging is partnering with IHCD to assist elderly persons transition from nursing homes back into the community of their choice where they can live more independently with appropriate support services. The Division of Aging will contribute \$1 million to the Affordable Housing and Community Development Fund administered by IHCD. These funds will be used to provide 100 to 125 seniors with reduced rents in IHCD financed units that are made accessible based on the specific needs of the resident.

USDA. IHCD received a \$2.25 million dollar loan from USDA to rehabilitate 15 to 20 rural multi-family properties. This loan will be matched dollar-for-dollar from the Affordable Housing and Community Development Fund. Owners are encouraged to utilize Rural and Preservation Set Aside Categories through IHCD's LIHTC program to attract additional equity to offset project development costs. Nonprofit developers are encouraged to access HOME funds through the Community Development department for the acquisition of these rural properties ensuring a stable source of affordable housing remains in the community.

RECAP program. IHCD in collaboration with the Office of Community and Rural Affairs and the Office of Tourism will pilot the Real Estate Capital Access Program (RECAP) designed to facilitate the development of commercial space and related residential space in areas or for projects that are not sufficiently attractive to the private market, particularly in the "Main Streets" of rural areas and small towns, as well as commercial nodes that may be outside the downtown area. RECAP will provide predevelopment funds, a loan loss reserve pool, as well as matching grants for façade and beautification improvements for 3-5 communities. The three agencies have committed \$1 million for this program.

Institutional Structure and Coordination

Many firms, individuals, agencies and other organizations are involved in the provision of housing and community development in the State. Some of the key organizations within the public, private and not-for-profit sector are discussed below.

Public sector. Federal, State and local governments are all active in housing policy. At the federal level, two primary agencies exist in Indiana to provide housing: the U.S. Department of Housing and Urban Development (HUD) and Rural Economic Community Development (RECD) through the Department of Agriculture. HUD provides funds statewide for a variety of housing programs. RECD operates mostly in non-metropolitan areas and provides a variety of direct and guaranteed loan and grant programs for housing and community development purposes.

In addition to these entities, other federal agencies with human service components also help assist with housing, although housing delivery may not be their primary purpose. For example, both the Department of Health and Human Services and the Department of Energy provide funds for the weatherization of homes. Components of the McKinney program for homeless assistance are administered by agencies other than HUD.

At the State level, the Indiana Housing and Community Development Authority (IHCDA) is the lead agency for housing in the State. It coordinates the Mortgage Revenue Bond (MRB) and the Mortgage Credit Certificates (MCC) first time homebuyer programs through its First Home program, and administers the State's allocation of Rental Housing Tax Credits. IHCDA is responsible for the non-entitlement CDBG dollars dedicated to housing, the Indiana Affordable Housing and Community Development Fund, and non participating jurisdiction HOME monies. IHCDA also administers community development programs for the state including the Neighborhood Assistance Program tax credits and Individual Development Accounts. IHCDA is also the grant administrator for HOPWA and ESG. Finally, IHCDA is currently a HUD designated Participating Administrative Entity for expiring use contracts and an approved contract administrator of certain project-based Section 8 contracts. Beginning July 1, 2006 we are also administering Section 8 Vouchers, LIHEAP, Weatherization programs formerly housed at FSSA.

The Indiana Family Social Services Administration (FSSA) coordinates the State's tenant-based Section 8 program through a contract with community action agencies. It also administers the Medicaid CHOICE program, the childcare voucher program, and other social service initiatives, and is the lead agency overseeing State institutions and other licensed residential facilities. FSSA is the focal point for policies that integrate housing with the provision of social services. The Indiana State Department of Health (ISDH) coordinates many of the State's programs relating to persons living with HIV/AIDS and also administers the State's blood screening program for lead levels in children.

The newly created Indiana Office of Community and Rural Affairs (OCRA) will be the State's main agency involved in community and economic development and related programs. It administers the State's CDBG program, a portion of which has been designated for affordable housing purposes since 1989.

Communities throughout Indiana are involved in housing to greater or lesser degrees. Entitlement cities and participating jurisdictions are generally among the most active as they have direct resources and oversight of for housing and community development.

Private sector. A number of private-sector organizations are involved in housing policy. On an association level, the Indiana Realtors Association, Indiana Homebuilders Association, Indiana Mortgage Bankers Association and other organizations provide input into housing and lending policies. Private lending institutions are primarily involved in providing mortgage lending and other real estate financing to the housing industry. Several banks are also active participants in IHCD's First Home program.

Fannie Mae funds programs such as HomeChoice, which provides flexible underwriting criteria on conventional mortgages to persons with disabilities. The Federal Home Loan Bank (FHLB) and its member banks in Indiana provide mortgage lending as well as participate in FHLB's Affordable Housing Program.

The private sector is largely able to satisfy the demands for market-rate housing throughout the State.

Not-for-profit sector. Many not-for-profit organizations or quasi-governmental agencies are putting together affordable housing developments and gaining valuable experience in addressing housing needs on a local level. The State now has 50 organizations certified as Community Housing Development Organization (CHDOs). Community action agencies administer the Section 8 program under contract to FSSA. There are currently 24 community action agencies in the State administering weatherization and energy assistance programs; 22 agencies administer Section 8.

The State has an active network of community development corporations, many of which have become increasingly focused on housing issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small-scale rehabilitation programs to main street revitalization. The projects undertaken by community development corporations are often riskier and more challenging than traditional development projects.

Public housing authorities exist in the major metropolitan areas and in small to medium-sized communities throughout the State.

The State also has several organizations that advocate for state policies and organize housing and community development activities at the state level. The Indiana Association for Community Economic Development (IACED) is a membership organization for the State's housing and community development nonprofits and provides top level policy coordination, as well as training and technical assistance. The Indiana Coalition on Housing and Homeless Issues (ICHHI) is instrumental in development and implementation of the State's policies for persons who are homeless. Rural Opportunities, Incorporated (ROI) is an advocacy organization that focuses on the housing and social service issues of the State's migrant farmworker population.

Many not-for-profit organizations have become more actively engaged in delivering social services. Community mental health centers, religious and fraternal organizations and others provide support in the form of counseling, food pantries, clothing, emergency assistance, and other activities. The State's 16 Area Agencies on Aging have also become more involved in housing issues for seniors.

Overcoming gaps in delivery systems. Several gaps exist in the above housing and community development delivery system, especially for meeting the need for affordable housing. The primary gaps include:

- **Lack of coordination and communication.** Many social service providers, local business leaders and citizens continually express frustration about not knowing what programs were

available and how to access those programs. Without full knowledge of available programs, it is difficult for some communities to know where to start to address their housing needs. The State continues to address this gap through distribution of information about resources through regional agency networks and at public events.

- **Lack of capacity for not-for-profits to accomplish community needs.** In many communities, the nonprofits are the primary institutions responsible the delivery of housing and community development programs. These organizations function with limited resources, and seldom receive funding designated for administrative activities. The State continues to include planning and capacity building grants as eligible activities for CDBG and HOME.

Lead-Based Paint Hazards

According to the 2004 ACS, approximately 1.8 million housing units in Indiana—67 percent of the total housing stock—were built before 1978. About 554,000 units, or 21 percent of the housing stock, are pre-1940 and 498,000 units (18 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock, although the State's non entitlement areas together have about the same percentage of pre-1940 units as the State overall. Marion County Health Department issued more than 200 citations to residents for lead hazards between January 1, 2000 and July 31, 2003. More than 99 percent of these homes were rental properties. Many small landlords (with less than 50 properties) are unaware of their responsibility of complying with code and tenants are also often unaware of their responsibilities.

According to the Indiana Childhood Lead Poisoning Elimination Plan, Indiana children with the following characteristics are at high risk for exposure to lead hazards:

- Children living in older housing,
- Children living in poverty or families with low-incomes,
- Children enrolled in Hoosier Healthwise (HH, Indiana's Medicaid and S-CHIP program), and
- Minority children.

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low-income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors makes lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are both low-income and live in older housing units. According to PUMS data, in 2002, there were 53,233 (8.1 percent) renter households who were very low-income (earning less than 50 percent of the State median) and who lived in housing stock built before 1940. There were also 77,919 (4.6 percent) owners with very low incomes and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

According to the Indiana State Department of Health's (ISDH) report to the Indiana General Assembly, 43,000 blood lead samples were taken in 2003 for children under 7 years old. Of these children, 691 (1.6 percent) were confirmed as lead poisoned. Another 572 children had failed the screening blood lead test and may or may not have been lead poisoned.

The CDC reported in 2004 there were 583 Indiana children under age six with elevated blood lead levels. According to the ISDH, Indiana has more than 13,000 active cases of children with lead poisoning and more than 2 million homes with lead based paint. Marion County Health Department has alone issued citations to reduce lead hazards in more than 1,100 homes.

PHA Assistance

During FY2007, IHCDA will collect regular information from the Indianapolis HUD field office on the “troubled” status of public housing authorities (PHA).

If a PHA in an area covered by the State HOME grant is designated as “troubled” by HUD, IHCDA will contact the PHA, interview their Executive Directors and other staff as appropriate about their needs and review their plan to address the problems that are putting them in a “troubled” status. IHCDA will then consult HUD to explore potential funding sources for technical assistance in financial and program management as well as physical improvements as may be required.

At the time of this report, the following PHAs within the State HOME jurisdiction were designated as troubled: Bloomfield (Public Housing), Rome City (Public Housing), Bedford (Public Housing), Jasonville (Section 8), Franklin County (Section 8), and Portland (Section 8).

Barriers to Affordable Housing

See the Housing Market Analysis section of the full Consolidated Plan and the 2007 Analysis of Impediments to Fair Housing Choice for a complete discussion of barriers to affordable housing.

Additional information on barriers to affordable housing and services was gathered from housing and community development stakeholders throughout the state as a part of the citizen participation process. A description of all comments from the stakeholders is included in Section II of this report. The following are affordable housing and service barriers suggested by the stakeholders:

- Community perceptions/social stigma of low-income housing in certain communities prevents building.
- Drug dependency in rural areas.
- In many cases in rural areas, the lack of having any land use or zoning regulations impedes development.
- Lack of education on available resources (public).
- Lack of good land use planning and subdivision planning.
- Lack of transportation to community services in rural areas.
- Need tax abatement ordinances put in place to encourage rehabilitation of homes (give owners a 5-year tax break).
- Not enough businesses to provide affordable housing.

- Poor government and state funding.
- The process is too labor intensive for lenders to process government grants.
- The process is too paper intensive and may be over governed. (No public policies that impede access to fair housing).
- There are zoning boards and commissions in Indiana that only want to approve homes for \$200,000 and up, thinking if they approve those for \$100,00 it will bring down property values. There is a zoning assumption that the lower the density, the better. Not always true.
- There may be some issues in regards to Planned Urban Development (PUDs) that could and should be addressed.
- There seems to be a propensity not to want anyone to plan in some areas. The only way homeowners can protect their investments is through restrictive covenants in subdivision planning.
- Uncooperative landlords/land owners who do not want to serve low-income tenants.
- We have empty lots in our community where we have torn down buildings. It is difficult to develop on these lots because we often run into special easements.

Anti-Poverty Strategy

The State of Indiana does not have a formally adopted, Statewide anti-poverty strategy. In a holistic sense, the entirety of Indiana's Consolidated Plan Strategy and Action Plan is anti-poverty related because a stable living environment is also a service delivery platform. However, many of the strategies developed for the Five-Year Plan directly assist individuals who are living in poverty.

Indiana has a history of aggressively pursuing job creation through economic development efforts at the state and local levels. This emphasis on creating employment opportunities is central to a strategy to reduce poverty by providing households below the poverty level with a means of gaining sustainable employment.

Other efforts are also needed to combat poverty. Many of the strategies outlined in the Consolidated Plan are directed at providing services and shelter to those in need. Once a person has some stability in a housing situation, it becomes easier to address related issues of poverty and provide resources such as childcare, transportation and job training to enable individuals to enter the workforce. Indiana's community action agencies are frontline anti-poverty service providers. They work in close cooperation with State agencies to administer a variety of State and federal programs.

Education and skill development is an important aspect of reducing poverty. Investment in workforce development programs and facilities is an important step to break the cycle of poverty. Finally, there continue to be social and cultural barriers that keep people in poverty. Efforts to eliminate discrimination in all settings are important. In some cases, subsidized housing programs are vital to ensure that citizens have a safe and secure place to live.

Discharge Policies

Indiana has implemented formal discharge policies pertaining to persons released from publicly funded institutions and systems of care. Each of these policies was developed and is monitored by the respective administrative agency. The Department of Health, the Department of Corrections, the Division of Child Services, and the Division on Mental Health and Addiction are all represented on the Interagency Council to End Homelessness. Beginning late 2006, the Interagency Council began developing a set of recommendations for an integrated, statewide discharge policy. The Interagency Council intends to approve a set of recommendations in 2007. A synopsis of the current agency specific policies is provided below:

Foster care. The Division of Child Services conducts a comprehensive independent living assessment to identify areas of strength and challenges for youth age 14 to 18. Services provided include financial, housing, mentoring, counseling, employment, education, and other appropriate support to ensure youth live as healthy, productive, and self-sufficient adults.

Health care. The Bureau of Quality Improvement Services is responsible for ensuring that individuals transition from state operated facilities, large private ICF, MR settings and nursing homes into a community smoothly. The process includes a minimum of one pre-transition visit and two post-transition visits. Individuals are also surveyed six months after transition regarding residential and support services.

Mental health. The Division of Mental Health and Addiction requires the admitting mental health center remain involved in the treatment and discharge planning of individuals placed in state operated facilities. Facility staff in conjunction with the consumer develop the plan to ensure the individual is not released into homelessness.

Corrections. The Department of Corrections requires case managers to develop individualized Re-Entry Accountability Plans that outline and coordinate the delivery of services necessary to ensure successful transition from incarceration to a community. Services include, but are not limited to: 1) enrollment in Medicaid, Food Stamps, TANF, and SSI; 2) issuance of birth certificates and BMV identification; 3) participation in workforce development programs; 4) limited rental assistance; and 5) referral to other community services.

Obstacles to Meeting Needs

The State faces a number of obstacles in meeting the needs outlined in the Five-Year Consolidated Plan:

- The housing and community needs are difficult to measure and quantify on a statewide level. The Consolidated Plan uses both qualitative and quantitative data to assess statewide needs. However, it is difficult to reach all areas of the State in one year, and the most recent data measures in some cases are a few years old. Although the State makes a concerted effort to receive as much input and retrieve the best data as possible, it is difficult to quantify needs on the local level. Therefore, the State must also rely on the number and types of applications as a measure of housing and community needs.

- The ability of certain program dollars to reach citizens is limited by the requirement that applications for funding must come from units of local government or nonprofit entities. Thus, if these entities do not perceive a significant need in their communities they may not apply for funding.
- Finally, limitations on financial resources and internal capacities at all levels can make it difficult for the State to fulfill the housing and community development needs of its many and varied communities.

To mitigate these obstacles, during the 2007 program year, the State will provide training for the application process associated with the HUD grants to ensure equal access to applying for funds, and continually review and update its proposed allocation with current housing and community development needs, gathered through the citizen participation plan and demographic, housing market and community development research.

Action Plan Matrix

A matrix that outlines the Consolidated Plan Strategies and Action Items for the FY2007 program year follows. The matrix includes:

- The State's Five-Year Strategic Goals;
- Type of HUD grant;
- Objective category the funding will address;
- Outcome category the funding will address;
- The activities proposed to address housing and community development needs;
- Funding targets (by dollar volume); and
- Assistance goals (by number of households, number of facilities, etc).

Exhibit I-8.
Strategies and Action Matrix, 2007 Action Plan

| Goals | Funds | Objective Category | Outcome Categories | Activities | Specific Objectives | Funding Goals | Assistance Goals |
|---|---------------|-----------------------------|----------------------------|--|---|---------------|---|
| 1. Expand and preserve affordable housing opportunities throughout the housing continuum. | HOME and ADDI | Decent Housing | Availability/Accessibility | Transitional Housing—Rehabilitation and New Construction | Improve range of housing options for special-needs populations. | \$10,117,529 | For Housing from Shelters to Homeownership, QAP, HOME OOR = 336 units, For First Home = 500 units |
| | | Decent Housing | Availability/Accessibility | Permanent Supportive Housing—Rehabilitation and New Construction | Increase number of homeless in permanent housing. | | |
| | | Decent Housing | Affordability | Rental Housing—Rehabilitation and New Construction | Increase the supply and improve the quality of affordable rental housing. | | |
| | | Decent Housing | Affordability | Homebuyer—Rehabilitation and New Construction | Increase the supply and improve the quality of affordable homeownership. | | |
| | | Decent Housing | Availability/Accessibility | CHDO Operating Support | Improve services for low/mod income persons. | | |
| | | Decent Housing | Affordability | CHDO Predevelopment and Seed Money Loans | Increase the supply of affordable housing. | | |
| | | Decent Housing | Affordability | Downpayment Assistance | Increase the supply and improve the quality of affordable homeownership. | | |
| | | Decent Housing | Affordability | | | | |
| | CDBG | Decent Housing | Availability/Accessibility | Emergency shelters | End chronic homelessness. | \$3,066,513 | For all CDBG (Housing) = 244 units |
| | | Decent Housing | Availability/Accessibility | Youth shelters | End chronic homelessness. | | |
| | | Decent Housing | Availability/Accessibility | Transitional housing | Improve range of housing options for special-needs populations. | | |
| | | Decent Housing | Availability/Accessibility | Migrant/seasonal farmworker housing | Improve range of housing options for special-needs populations. | | |
| | | Decent Housing | Availability/Accessibility | Permanent supportive housing | Increase number of homeless in permanent housing | | |
| | | Decent Housing | Affordability | Rental housing | Increase the supply and improve the quality of affordable rental housing. | | |
| | | Decent Housing | Affordability | Owner-occupied units | Increase the supply and improve the quality of affordable homeownership. | | |
| | | Decent Housing | Sustainability | Voluntary acquisition/demolition | Improve the quality of rental and owner housing. | | |
| 2. Reduce homelessness and increase housing stability for special-needs populations. | HOME | Decent Housing | Availability/Accessibility | See special-needs housing activities in Goal 1. | Improve range of housing options for special-needs populations. | | |
| | CDBG | Decent Housing | Availability/Accessibility | See special-needs housing activities in Goal 1. | Improve range of housing options for special-needs populations. | | |
| | ESG | Decent Housing | Availability/Accessibility | Operating support | Improve range of housing options for special-needs populations. | \$1,436,933 | 89 shelters |
| | | Decent Housing | Availability/Accessibility | Homeless prevention | End chronic homelessness. | \$93,936 | 25 shelters |
| | | Decent Housing | Availability/Accessibility | Essential services | End chronic homelessness. | \$317,668 | 51 shelters |
| | | Decent Housing | Availability/Accessibility | Accessibility Rehab | Improve range of housing options for special-needs populations. | \$57,000 | 3–4 shelters |
| | HOPWA | Decent Housing | Availability/Accessibility | Rental assistance | Improve range of housing options for special-needs populations. | \$370,040 | For all activities = 47,259 unduplicated clients served |
| | | Decent Housing | Availability/Accessibility | Short-term rent, mortgage, utility assistance | Improve range of housing options for special-needs populations. | \$221,500 | 170 households/units |
| | | Suitable Living Environment | Availability/Accessibility | Supportive services | Improve range of housing options for special-needs populations. | \$111,200 | 300 households/units |
| | | Decent Housing | Availability/Accessibility | Housing information | Improve range of housing options for special-needs populations. | \$53,860 | 125 households |
| | | Suitable Living Environment | Availability/Accessibility | Project sponsor information | Improve range of housing options for special-needs populations. | \$49,400 | 25 households |
| | | Decent Housing | Availability/Accessibility | Acquisition, Rehabilitation and Conversion | Improve range of housing options for special-needs populations. | | |
| | | Suitable Living Environment | Availability/Accessibility | Operating costs | Improve range of housing options for special-needs populations. | \$16,000 | 5 units |
| | | | | | | | |
| 3. Promote livable communities and community revitalization through addressing unmet community development needs. | CDBG | Suitable Living Environment | Sustainability | Community Focus Fund: Construction/rehabilitation of wastewater water and storm water systems Community development projects (Senior Centers, Youth Centers, Community Centers, Historic Preservation Downtown Revitalization, ADA Accessibility, Fire Stations, Fire Trucks) | Improve quality/quantity of public improvements for low/mod persons. | \$12,564,977 | 26 systems |
| | | Suitable Living Environment | Availability/Accessibility | | Improve quality/quantity of neighborhood services for low/mod persons. | \$10,280,436 | 26 facilities/projects |
| | | | | | | | |
| | | | | | | | |
| | CDBG | Suitable Living Environment | Sustainability | Planning/Feasibility Studies | Improve quality/quantity of public improvements for low/mod persons. | \$1,400,000 | 33 planning grants |
| | | | | | | | |
| 4. Promote activities that enhance local economic development efforts. | CDBG | Economic Opportunities | Sustainability | Community Economic Development Fund Micro-enterprise Assistance Program | Improve economic opportunities for low/mod persons. | \$1,700,000 | 340 jobs |
| | | | | | Improve economic opportunities for low/mod persons. | \$500,000 | |

Source: Indiana Office of Community and Rural Affairs and Indiana Housing and Community Development Authority.